



CONGRESSIONAL BUDGET OFFICE PAY-AS-YOU-GO ESTIMATE

October 25, 2000

H.R. 5362

An act to increase the amount of fees charged to employers who are petitioners for the employment of H-1B nonimmigrant workers, and for other purposes

*As cleared by the Congress on October 10, 2000,
and signed by the President on October 17, 2000*

SUMMARY

H.R. 5362, enacted as Public Law 106-311, will double the fee charged to employers who petition for the employment of H-1B nonimmigrant workers from \$500 to \$1,000, and will allow the Department of Justice (DOJ) to collect these fees in fiscal years 2002 and 2003. Under prior law, DOJ's authority to collect these fees would have expired at the end of fiscal year 2001. CBO estimates that enactment of H.R. 5362 will increase offsetting collections by \$473 million over the 2001-2010 period. These funds will be spent without further action by Congress. Thus, CBO estimates that, over the long term, there will be no net effect on the federal budget. On a year-to-year basis, offsetting collections will exceed outlays from 2001 through 2003. Outlays would be higher from 2004 through 2006.

ESTIMATED COST TO THE FEDERAL GOVERNMENT

CBO's estimate of the impact of Public Law 106-311 on direct spending is shown in the following table. Only the estimated changes in the budget year and the succeeding four years are counted for pay-as-you-go purposes. The costs of this legislation fall within budget functions 250 (general science, space, and technology), 500 (education, employment, training and social services), and 750 (administration of justice).

	By Fiscal Year, in Millions of Dollars									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Changes in outlays	-64	-151	-81	165	96	35	0	0	0	0
Changes in receipts					Not applicable					

BASIS OF ESTIMATE

This law will allow DOJ to collect more in fees that are charged to employers who petition for the employment of nonimmigrant workers. Under prior law, DOJ would have collected \$500 per petition through fiscal year 2001. Public Law 106-311 raises this fee to \$1,000, and allows DOJ to collect it through 2003. CBO estimates that under this new law, DOJ will collect additional fees of \$473 million: \$70 million in 2001, \$197 million in 2002, and \$206 million in 2003. These fees may be spent without further appropriation by DOJ, the Department of Labor, and by the National Science Foundation. CBO estimates that only \$6 million of the receipts will be spent in fiscal year 2001, but that all of the fees will be spent by the end of fiscal year 2006.

This estimate excludes the impact of Public Law 106-313 (S. 2045). That law will further increase fees for H-1B visas, primarily by increasing the annual caps on the number of such visas. (A separate pay-as-you-go estimate for S. 2045 was transmitted on October 25, 2000.)

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